

THIS AMENDMENT:	
_____ Passed _____	Passed as amended by _____
_____ Failed _____	Not Offered _____



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ORIGINAL

MAYES PROPOSED AMENDMENT 2

TIME/DATE PREPARED: January 11, 2010

COMPANY: Tucson Electric Power Company

AGENDA ITEM NO. U-13

DOCKET NO. E-01933A-09-0340

OPEN MEETING DATE: Jan. 12-13, 2009

Page 19, line 3, INSERT New Finding of Fact: "The Commission is concerned about the "lumpy" nature of TEP's proposal to pass all costs associated with both the Springerville addition and the Tucson Airport Single-Tracker Project in addition to the grid management cost study expense through the adjuster mechanism. Inclusion of the \$13.6 million associated with these projects in a single year would be a significant factor in the adjustor mechanism being driven from its current capped level of \$4.50 to \$9.50. We believe that in order to smooth out the rate impacts of these projects the cost recovery associated with them should be amortized over three years. Therefore, the costs associated with these two projects in 2010 should be \$4.53 million, with the balance of the recovery occurring through the adjustor mechanism equally in 2011 and 2012. TEP should amend its filing to reduce the residential cap accordingly, while leaving the surcharge at \$0.00836 per kWh."

Page 20, line 1, INSERT New Ordering Paragraph: "IT IS FURTHER ORDERED THAT the cost recovery associated with the Springerville addition, grid management cost study and the Tucson Airport Single-Tracker should be amortized over three years. Therefore, the costs associated with these two projects in 2010 should be \$4.53 million, with the balance of the recovery occurring through the adjustor mechanism equally in 2011 and 2012. Tucson Electric Power shall file an amended tariff in Docket Control reducing the residential cap accordingly while leaving the surcharge at \$0.00836 per kWh."

Make all conforming changes.

DOCKET CONTROL
COMMISSION

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Arizona Corporation Commission
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JAN 12 2010

DOCKETED BY	
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